

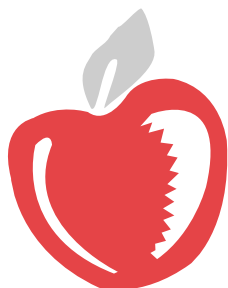


Reference Manual
for the Assumption
Program of Loans
for Education
(APLE)



CALIFORNIA
STUDENT AID
COMMISSION

Assumption Program of Loans for Education (APLE)



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This manual contains important information on the procedures, rules, and regulations for participating in the APLE. You are responsible for knowing and complying with all of the information contained within this manual; please read and retain it for future reference.

Communication with the California Student Aid Commission (Commission)

When communicating with the Commission, please provide your name, social security number, phone number and address. When mailing information to the Commission, obtain a United States (U.S.) Postal Service Certificate of Mailing to verify mailing by the appropriate deadline.

Mailing Address

California Student Aid Commission
Specialized Programs
P.O. Box 419026
Rancho Cordova, CA 95741-9026

If you change your permanent mailing address, you must immediately inform the Commission. The Commission is not responsible for mail not received from or by you. Please forward your mail if you are away from your permanent address.

Telephone/FAX

(916) 526-8276; FAX (916) 526-7977
The Commission cannot accept collect calls.

Hours

Monday—Friday, 8:00 a.m.- 5:00 p.m..

Contents

| Sections | Page |
|---|------|
| General Information | 4 |
| Program Purpose | 4 |
| Benefits Provided Under the APLE | 4 |
| Subject Shortage Areas | 5 |
| Low-Income Schools | 5 |
| Application Distribution | 5 |
| Leaves of Absence | 6 |
| Loan Default/Grant Repayment | 6 |
| APLE Eligibility and Selection Process | 7 |
| Participation Selection | 7 |
| Participant Eligibility and Requirements | 7 |
| Participant Responsibilities | 9 |
| Receiving Benefits | 11 |
| Loan Assumption Agreements | 11 |
| Receiving Full Benefits | 11 |
| Program Specific Benefit Requirements | 12 |
| Employment Compliance Form | 12 |
| Loan Balance Verification Form | 13 |
| Loan Assumption Payments and Distribution | 14 |
| Eligible Assumable Loans | 15 |
| Ineligible Loans | 15 |
| Priority of Loans Assumed | 16 |
| Renewal Process and Academic Requirements | 17 |
| Change Notification | 18 |
| APPENDIX | |
| Eligible Postsecondary Institutions with CTC Approved Programs | 19 |

General Information

Your eligibility to receive benefits from, and participate in, the APLE are subject to the conditions described in this manual, please read it thoroughly. Failure to comply with the instructions set forth in this manual may result with your becoming ineligible to receive loan assumption benefits. If you have any questions not covered by the information presented in this manual, contact the Commission at the address or telephone number indicated at the beginning of this manual.

Information pertaining to students who are eighteen (18) years of age or older, will not be released to parents or any other interested party without the Commission receiving prior written authorization.

Program Purpose

The APLE is a competitive teacher incentive program designed to encourage outstanding students to become teachers in

- 1) subject areas where a critical teacher shortage has been identified or
- 2) designated schools that meet criteria established by the Superintendent of Public Administration. Designated schools include those that: serve a large population of students from low-income families, are located in rural areas, have a high percentage of teachers holding emergency permits, and rank in the lowest 20 percentile of the Academic Performance Index.

Benefits Provided Under the APLE

Under the provisions of the APLE, the Commission may assume up to \$11,000 in outstanding educational loan balances for each participant who serves as a K-12 public school teacher in California. To receive the full \$11,000* loan assumption benefit, participants must provide four (4) consecutive years of full-time

teaching service in either the subject matter shortage area or the designated school type identified on the initial Loan Assumption Agreement.

**APLE participants who agree to, and provide, the designated teaching service in the areas of math, science, or special education will be entitled to as much as \$4,000 in additional loan assumption benefits. APLE participants who meet these requirements and provide their teaching service in a California public school that is ranked in the lowest 20 percentile of the Academic Performance Index will be eligible to receive an additional \$1,000 per year in loan assumption benefits for a possible total benefit of up to \$19,000.*

Subject Shortage Areas

The teacher subject shortage areas identified by the State Superintendent of Schools for the 2000-2001 academic year include: math, science, special education, bilingual education and reading.

Low-Income Schools

The National Defense and Perkins Student Loan Program Directory of Designated Low-Income Schools for Teacher Cancellation Benefits offers a complete listing of the low-income schools identified by the State Superintendent of Public Instruction for the 2000-2001 academic year. This directory is available at the college business or financial aid office and can be found using the search feature at the following website: <http://search.ed.gov>.

Application Distribution

The Commission is authorized to distribute up to 6,500 APLE applications per year to post-secondary institutions and school districts. Education Code Section 69614(a) requires that partici-

pating institutions be eligible to participate in state and federal financial aid programs and have a program of professional preparation that has been approved by the Commission on Teacher Credentialing (CTC). (A complete listing of approved institutions is provided in the Appendix).

Each institution receives at least one APLE application. The remaining applications are distributed based upon the number of students from each institution who were fully credentialed during the previous year. Since participating institutions select applicants, students who are interested in applying should check with their campus for information on application selection and campus application deadlines.

Leaves of Absence

You may apply for a leave of absence only when a serious illness, pregnancy, or other natural cause prevents you from continuing your credential course work or providing consecutive full-time teaching service. Leaves of absence totaling more than one academic year will not be approved.

Participants must write to the Commission to request a leave of absence.

Loan Default/Grant Repayment

California law prohibits the Commission from dispersing loan assumption benefits to any individual who has either failed to repay a federal or state grant, if required, or defaulted on a student loan and has not made satisfactory repayment arrangements.

If at any time it is determined that you owe a grant refund or are in default of a loan and have not made satisfactory payment arrangements, you will be withdrawn from the APLE.

APLE Eligibility and Selection Process

Participant Selection

Selected applicants must be judged by participating institutions to have outstanding ability on the basis of criteria that may include, but need not be limited to, any of the following:

- ✓ Grade point average
- ✓ Test scores
- ✓ Faculty evaluation
- ✓ Interviews
- ✓ Other recommendations

Participant Eligibility and Requirements

All APLE participants must:

- ✓ Have completed a minimum of at least 60 semester or 90 quarter units of postsecondary education prior to the fall term of the application year.
- ✓ Enroll in an academic program leading to a baccalaureate degree or provide certification of admission to an undergraduate program of professional teacher preparation approved by the CTC which includes a student teaching requirement and authorizes service for grades kindergarten through 12.

Enrollment must commence during the fall term of the year of application. (A list of approved institutions that offer a teacher preparation program is provided in the Appendix).

- ✓ Maintain satisfactory progress toward a credential objective.
- ✓ Be judged to be of outstanding ability as determined by a participating postsecondary institution.

Participant Eligibility and Requirements (Continued)

- ✓ Agree to teach in a California public school for at least four consecutive years of full-time service after obtaining a teaching credential.
- ✓ Have received, or have been approved to receive a Stafford Student Loan/Guaranteed Student Loan, Perkins/National Direct Student Loan, Supplemental Loans for Students, Consolidation Loan Program Loans, or privately funded educational loans issued to students through institutions of higher education for the purpose of defraying costs associated with obtaining a baccalaureate degree or an initial teaching credential.
- ✓ Be free of any obligation to repay any state and/or federal educational grant.

APLE participants must not:

- ✓ Be in default of any state or federally insured educational loan(s).
- ✓ Have completed the course work necessary to obtain an initial teaching credential. (The exception to this criterion is for individuals with an initial teaching credential who are pursuing a specialist credential in special education or reading.)

You should consult with the academic/credential advisors at the campus you are attending to ensure that you maintain the academic requirements for the credential program and complete all course work in a timely manner. Failure to meet these requirements will result in your being withdrawn from the APLE.

Participant Responsibilities

To maintain APLE eligibility, participants must:

- ✓ Continue their course work for an initial teaching credential.

An initial teaching credential, for participants who agree to provide teaching service in bilingual education, science, or mathematics or agree to teach at a low-income school, is defined as a preliminary or clear credential. For those participants who agree to provide teaching service in special education or as a reading specialist, an initial teaching credential is defined as a specialist credential in special education or reading.

- ✓ Maintain a minimum of half-time enrollment in undergraduate or teacher preparation course work, as defined by the institution until credential coursework is completed.

Course work for a Master's degree or a supplemental teaching authorization cannot be counted toward the minimum enrollment requirement unless the courses are required for an initial teaching credential.

- ✓ Complete the first year of eligible full-time teaching service within 36 months from the date that the initial teaching credential course work is completed.
- ✓ Comply with all student loan repayment obligations and continue to make all scheduled payments on student loans throughout participation in the APLE. The APLE payment will not cancel or replace any scheduled student loan payments.
- ✓ Provide written notice to the APLE coordinator within 10 days, of any change in status which may affect your APLE eligibility.

Participant Responsibilities (Continued)

- ✓ Comply with all conditions cited in the Loan Assumption Agreement, all governing laws and regulations, and any other procedures deemed necessary and appropriate by the Commission.

Please note: Full-time teaching service provided through an internship program or with an Internship Credential or a District Intern Certificate prior to your receiving a designated initial teaching credential does not qualify as eligible teaching service for assumption payments. You must provide full-time teaching service under the initial teaching credential to qualify for assumption benefits.

Receiving Benefits

Loan Assumption Agreements

Upon acceptance into the APLE, each participant receives a Loan Assumption Agreement (Agreement). The Agreement is a contract stipulating that the Commission will authorize loan assumption payments provided the participant complies with all APLE requirements.

To participate in and receive benefits from the APLE, you must sign an Agreement promising to provide four consecutive years of full-time teaching service in a California public school. After signing the Agreement, you may not change your teaching service area unless the area ceases to be a designated subject matter shortage area, or you receive written approval from the Commission. Changes from **subject area** to designated **school type** area will not be approved under any circumstances.

Employment Compliance Form

You must submit an Employment Compliance Form after each year of eligible teaching service in order to be eligible for APLE benefits for that academic year. The Employment Compliance Form must be completed by an authorized school official who will certify that you provided a full year of full-time teaching service in the teaching shortage area designated on the Agreement.

Loan Balance Verification Form

The Loan Balance Verification Form, which must also be submitted after each year of eligible teaching service, must be completed by your lender(s). In order for you to be eligible for benefits for that academic year, the lender(s) must certify that all

Loan Balance Verification form (Continued)

reported student loans are in good standing and provide a June 30th balance. Loan assumption payments will be made on eligible loans based on the June 30th balance provided each year.

Receiving Full Benefits

To receive the full benefits available under the APLE, you must provide four (4) consecutive years of full-time teaching service, under a regular full-time teaching contract, at a California public school, in the subject shortage area designated on your Agreement. The first year of which must be completed within 36 months of the date that you completed the course work required for your initial teaching credential.

If you complete your initial credential course work early in the academic year, your first full year of full-time teaching must be completed during the academic year proceeding the 36 month deadline date. Part-time substitute teaching is not considered full-time teaching service.

Program Specific Benefit Requirements

If a participant has agreed to provide a full academic year of full-time teaching service in mathematics or science the service **MUST** be performed 1) by providing at least one period in one of these areas to students in grades 7—12 in a public secondary school, or 2) as a full-time resource teacher in the participants; designated subject area.

Participants who agree to provide a full year of full-time teaching service in bilingual education must provide English language development and/or academic instruction in the primary language to a class of students with limited English proficiency.

If a participant has agreed to provide a full year of full-time teaching service in a school serving a large population of students from low-income families, the Commission will verify that the service was provided in a California public school listed in the National Defense and Perkins (National Direct) Student Loan Program Directory of Designated Low-Income Schools for Teacher Cancellation Benefits. This directory is available at the college business or financial aid office and can be found using the search feature at the following website *[http:// search.ed.gov](http://search.ed.gov)*.

It is the responsibility of each participant to ensure that the Employment Compliance Form and the Lender Balance Verification Form are forwarded to and completed by the appropriate school officials and lenders and submitted to the Commission by the designated time frame. Lenders are instructed to apply APLE payments directly to the outstanding loan balance.

Loan Assumption Payments and Distribution

Loan assumption payments are authorized by the Commission and made directly to your lender(s), based on your Employment Compliance and Loan Balance Verification Forms. If it is subsequently determined that the loan payment was processed based on misleading or incorrect information, you will be required to reimburse the Commission. You must comply with all loan repayment obligations and continue making scheduled payments on all student loans until your lender notifies you that your loan is paid in full. **The APLE benefit does not reimburse for any payments already made nor will the assumption payment cancel or replace any scheduled payments.**

Each year, depending upon your June 30th outstanding loan balance and the State budget, the Commission will pay, either the maximum assumable benefit amount or the outstanding loan balance, whichever is smaller.

The Commission may assume up to a total of \$11,000** in loan balances in accordance with the following:

- ✓ Up to \$2,000 after the first full year of eligible full-time teaching service.
- ✓ Up to \$3,000 after the second consecutive year of eligible full-time teaching service.

**APLE participants who possess a teaching credential for math, science, or special education may receive an additional \$1,000 of loan assumption benefits for each of the four years they receive benefits.

**One thousand dollars (\$1,000) of additional liability per year shall be assumed for participants who teach math, science, or special education in a public California school that falls in the lowest 20 percentile of the Academic Performance Index. The total benefit available under these criteria is \$19,000.

- ✓ Up to \$3,000 after the third consecutive year of eligible full-time teaching service.
- ✓ Up to \$3,000 after the fourth consecutive year of eligible full-time teaching service.

The Commission will notify you at the time payments are made. The notification will include your loan account number, amount of payment(s) distributed, and the name of the lender for each loan assumption payment. **It is the participant's responsibility to ensure that the lenders have applied the payment to the appropriate accounts.** Note: Loan assumption payments should be issued in August to participants who have submitted all required documentation, providing the State budget has been signed by the Governor.

Eligible Assumable Loans

Eligible loans for APLE loan assumption are those educational loans that were obtained by the participant to defray the cost of obtaining their baccalaureate degree or an initial California teaching credential. The specific loans include:

- ✓ Stafford Student Loans/Guaranteed Student Loans
- ✓ Perkins/National Direct Student Loans
- ✓ Loans to students made pursuant to the federal Supplemental Loans for Students program including CLAS
- ✓ Consolidation Loan Program loans
- ✓ Privately funded educational loans issued to students through institutions of higher education

Ineligible Loans

Loans that are ineligible for APLE loan assumption include all educational loans that are eligible for total or partial cancellation under State or Federal provisions, regardless of whether or not

Ineligible Loans (Continued)

the participant applies for Federal cancellation benefits. Specific loans include:

- ✓ Parent Loans for Students
- ✓ Any loans listed in the National Defense and Perkins (National Direct) Student Loan Program Directory of Designated Low-Income Schools for Teacher Cancellation Benefits (available at the institution where the loan was made)
- ✓ Any educational loans obtained for course work other than a baccalaureate degree and an initial teaching credential

Priority of Loans Assumed

Eligible loans will be assumed in the following priority order:

- First: All loans guaranteed by the Commission, ranked first by rate of interest (highest to lowest), and secondly by loan disbursement date (oldest loan first, most recent loan last).
- Second: All other assumable loans ranked first by rate of interest (highest to lowest), and second by loan disbursement date (oldest loan first, most recent loan last).

Renewal Process and Academic Requirements

Each May, the participating APLE institutions verify the renewal eligibility and initial teaching credential dates of each APLE participant attending that school. Participants who have not obtained an initial teaching credential must meet the following criteria to remain eligible for the program during the following academic year. Participants must be:

- ✓ Enrolled at least halftime, as determined by the institution, in a baccalaureate degree or credential course work program each academic term.
- ✓ Pursuing a course of study leading to certification as a teacher at the elementary or secondary public school level in the area designated on the Agreement.
- ✓ Maintaining satisfactory academic progress as defined by the institution.
- ✓ In good standing on all State and/or Federal grants and any State or Federally insured educational loan(s).

Change Notification

Participants are required to notify the Commission immediately if a change occurs in any of the following:

- ✓ Name
- ✓ Address or telephone number
- ✓ Social security number
- ✓ Enrollment status
- ✓ School of attendance
- ✓ Teaching objective

In addition, participants are required to notify the Commission when the following occur:

- ✓ Receipt of a delinquent notice, the sale of a student loan to another lender or a change in loan service;
- ✓ Completion of course work required for an initial teaching credential, even if continuing studies; and
- ✓ Employment which qualifies as satisfying the requirements for benefits.

APPENDIX

Eligible Postsecondary Institutions with CTC Approved Programs

California State University

| | |
|-----------------|-----------------|
| Bakersfield | Pomona |
| Chico | Sacramento |
| Dominguez Hills | San Bernardino |
| Fresno | San Diego |
| Fullerton | San Francisco |
| Hayward | San Jose |
| Humboldt | San Luis Obispo |
| Long Beach | San Marcos |
| Los Angeles | Sonoma |
| Monterey Bay | Stanislaus |
| Northridge | |

University of California

| | |
|-------------|---------------|
| Berkeley | Riverside |
| Davis | San Diego |
| Irvine | Santa Barbara |
| Los Angeles | Santa Cruz |

Independent Institutions

| | |
|--------------------------------|-------------------------------|
| Antioch University | College of Notre Dame |
| Azusa Pacific University | Concordia University |
| Bethany Bible College | Dominican University |
| Biola University | Fresno Pacific College |
| California Baptist College | Holy Names College |
| California Lutheran University | Hope International University |
| Chapman University | John F. Kennedy University |
| Christian Heritage College | La Sierra University |
| Claremont Graduate School | Loyola Marymount University |

APPENDIX A (Continued)

Independent Institutions (Continued)

| | |
|-----------------------------|-----------------------------|
| Mills College | The National Hispanic |
| Mount St. Mary's College | University |
| National University | United States International |
| New College of California | University |
| Occidental College | University of La Verne |
| Pacific Oaks College | University of the Pacific |
| Pacific Union College | University of Phoenix |
| Patten College | University of Redlands |
| Pepperdine University | University of San Diego |
| Point Loma Nazarene College | University of San Francisco |
| of California | University of Southern |
| Saint Mary's College | California |
| Santa Clara University | Vanguard University |
| Simpson College | Westmont College |
| Stanford University | Whittier College |
| The Master's College | |